Ministry of Consumer and Corporate Affairs

Annual Report 1983

Honourable James J. Hewitt
Minister of Consumer and
Corporate Affairs

Ministry of Consumer and Corporate Affairs

Annual Report

For the Year ending March 31, 1983

Province of British Columbia

Ministry of Consumer and Corporate Affairs

British Columbia Cataloguing in Publication Data

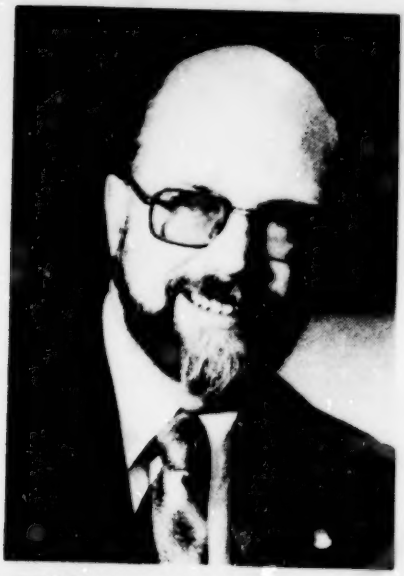
British Columbia. Ministry of Consumer and Corporate Affairs.

Annual report. 1979 -

Report year ends March 31.
Continues: British Columbia. Dept. of Consumer Services. Annual report. issn 0319-3063
ISSN 0381-1506 = annual report - Ministry of Consumer and Corporate Affairs (Victoria)

1. British Columbia. Ministry of Consumer and Corporate Affairs. 2. Consumer protection - British Columbia - Periodicals. 3. Corporations - British Columbia - Periodicals.

HC117.B8B74 354.7110682



THE HONOURABLE JAMES J. HEWITT

To the Honourable
Robert Gordon Rogers
Lieutenant-Governor of the
Province of British Columbia

May It Please Your Honour:

I have the honour, Sir, to submit respectfully the Annual Report of the Ministry of Consumer and Corporate Affairs Act for the Year ended March 31, 1983.

James J. Hewitt
Minister of Consumer and
Corporate Affairs

To the Honourable James J. Hewitt
Minister of Consumer and Corporate Affairs
Parliament Buildings
Victoria, B.C.

Sir:

I have the honour to submit for your consideration the Annual Report of the Ministry of Consumer and Corporate Affairs under the Ministry of Consumer and Corporate Affairs Act for the year ended March 31, 1983.

Jill Bodkin

Jill Bodkin
Deputy Minister
Ministry of Consumer and
Corporate Affairs

TABLE OF CONTENTS

Introduction
- Legislation 6
- Senior Staff 7

Consumer Affairs
- Consumer Credit and Debtor Assistance Branch 8
- Investigation Branch 12
- Operations Branch 13
- Registrar of Travel Services 14
- Registrar of Motor Dealers 15
- Registrar of Cemeteries 16

Corporate Affairs
- Corporate and Central Registry Office 18
- Superintendent of Brokers, Insurance and Real Estate 20
- Superintendent of Credit Unions, Co-operatives and Trust Companies 23

Landlords and Tenants
- Rentalsman 26

Liquor
- Liquor Control and Licensing Branch 29
- Liquor Distribution Branch 35

Boards and Commissions
- Corporate and Financial Services Commission and Commercial Appeals Commission 39
- Auditor Certification Board 41

Support Services
- Finance and Administration Branch 42
- Legal Services Branch 45
- Policy, Legislation and Program Planning Branch 46
- Information and Education 47

Province of British Columbia
Ministry of Consumer and Corporate Affairs

LEGISLATION ASSIGNED TO CONSUMER AND CORPORATE AFFAIRS

CONSUMER AFFAIRS

Bankruptcy Act - (Federal-Part X only)
Blind Persons Rights Act
Cemetery Act
Cemetery Company Act
Cemetery (Municipal) Act
Consumer Protection Act, 1967
- Chapter 64
Consumer Protection Act
- Chapter 65
Credit Reporting Act
Cremation Act
Debt Collection Act
Debtor Assistance Act
Motor Dealer Act
Pyramid Distribution Act
Rent Distress Act
Repairers Lien Act
Trade Practice Act
Trading Stamp Act
Travel Agents Act

CORPORATE AFFAIRS

Book Accounts Assignment Act
Chattel Mortgage Act
Commercial Appeals Commission Act
Commodity Contract Act
Company Act
Company Clauses Act
Condominium Act
Cooperative Association Act
Creditor Assistance Act
Credit Union Act
Funeral Plan Act
Insurance Act
Insurance (Marine) Act
Investment Contract Act
Mortgage Brokers Act
Mutual Fire Insurance Companies Act
(not consolidated)
Partnership Act
Real Estate Act
Sale of Goods Act
Sale of Goods in Bulk Act
Sale of Goods on Condition Act
Sale of Goods on Consignment Act
Savings and Loan Associations Act
(not consolidated)
Securities (Forged Transfer) Act
Securities Act
(excluding Section 140)
Society Act
Trust Company Act
Vancouver Stock Exchange Act

LIQUOR CONTROL AND LICENSING BRANCH

Liquor Control and Licensing Act

LIQUOR DISTRIBUTION BRANCH

Liquor Distribution Act

RENTALSMAN

Residential Tenancy Act
Commercial Tenancy Act

OTHER

Ministry of Consumer and Corporate Affairs Act
Tug Boat Worker Lien Act
Warehouse Lien Act
Warehouse Receipt Act
Woodworker Lien Act

Senior Staff List
as at December 31, 1983

Minister	James J. Hewitt
Deputy Minister	M.A.(Jill) Bodkin
Executive Director of Finance and Administration	W.G. Stewart
Director of Operational Review	C. Phemister
Director of Finance	W. MacMunn
Director of Personnel Administration	F.E. Fagan
Director of Legal Services	R.C.H. Fultz
Director of Policy, Legislation and Program Planning	L. Doney
Acting Director of Information and Education	R.J. Stevens

Rentalsman

Rentalsman	J.D. Patterson
Deputy Rentalsman	C.R. Green
Deputy Rentalsman	P.B. Smith
Director, Research and Systems	P.J. Larmour
Manager, Rent Review	K. Hancock
Manager, Victoria Operations	F. Fenn
Manager, Standards and Review	L.R. Tubman

Consumer Affairs Program

Consumer Affairs, Assistant Deputy Minister	S.G. Goodings
Director of Investigations	M. Hanson
Director of Consumer Credit and Debtor Assistance	H.F. Atkinson
Acting Director of Operations	B.W. McCulloch
Registrar of Cemeteries	D. Patterson
Registrar of Motor Dealers	N. Manning
Acting Registrar of Travel Services	S.G. Goodings

Corporate Affairs Program

Corporate Affairs Assistant Deputy Minister	J.D. Edgar
Superintendent of Brokers, Insurance and Real Estate	R.L. Bullock
Deputy Superintendent of Brokers	W. Stubbs
Deputy Superintendent of Insurance and Real Estate	Vacant
Director, Filings	E.L. Affleck
Director, Investigations and Inspections	H.A. Dilworth
Superintendent of Credit Unions, Co-operatives and Trust Companies	J.H. Thomas
Deputy Superintendent	D. Tant
Registrar of Companies	M.A. Jorre de St. Jorre
Deputy Registrar	L.G. Huck

Liquor Control and Licensing Branch

General Manager	R.A. Gould
Deputy General Manager of Licensing	D.E. Andersen
Deputy General Manager of Enforcement	D.D. Cliffe
Deputy General Manager of Policy, Research and Administration	K.G. Stewart
Chief Inspector	R.E.G. Smith

Liquor Distribution Branch

General Manager	R.A. Wallace
Director, Finance	L.N. Dyer
Director, Management Services	R.L. Simpson
Director, Purchasing	K.D.Brownlow
Director, Store Operations	C.E. Ruddick
Director, Distribution	B. Wilkinson
Security Manager	J.R. Bowcott
Chief Auditor	D.K. Chung
Acting Communications Manager	P. Vest
Manager, Employee Relations	K.L. Leigh
Manager, Recruitment/Staff Development	P. Vest

CONSUMER AFFAIRS

CONSUMER CREDIT AND DEBTOR ASSISTANCE BRANCH

The Consumer Credit and Debtor Assistance Branch has two distinct programs. The first is responsible for the administration of credit reporting, debt collection and consumer protection legislation involving consumer credit. The second is responsible for delivering a preventative and remedial debt counselling service. These programs educate and inform consumers and the credit industry.

ACTIVITIES

Consumer Credit Program:

* Encouraged the credit industry to make greater use of credit reporting agencies in an effort to keep consumers from being overloaded with debt.

* Inspected one-third of the 40 credit reporting agencies in British Columbia to ensure their compliance with licensing requirements and credit reporting regulations.

* Responded to a decreasing number of complaints, the majority of which were centred on misunderstandings between creditors and debtors about the balance owing on a debt.

* Continued communications with credit grantors by regular meetings and attendance at a credit grantors' conference in Vancouver which dealt with new developments in the industry including legislation and the effects of computerization.

Debtor Assistance Program:

* Established a telephone counselling service to help cope with 4,751 new clients -- a 70 per cent increase over the 1981-82 fiscal year.

* Distributed 20,000 self help kits.

* Undertook 10 major investigations involving the Debt Collection Act.

* Re-established the court referral program for Family Court as well as for other courts which adjudicate financial claims.

* Handled an extensive number of complaints regarding mortgage renewal penalties.

* Dealt with a record number of mortgage foreclosures and bankruptcies.

Statistics

Debtor Assistance:

(a) Total counseling sessions[1]	6,969
(i) Telephone counseling sessions (new clients)	3,754
(b) Orderly Payment of Debt[2] orders granted by the Branch	721
(c) Orderly Payment of Debt orders Paid in full, settled or defaulted	326
(d) Net increase in caseload	395
(e) Total ongoing caseload March 31, 1983	1,739
(i) Orderly Payment of Debts	1,559
(ii) Debtor Assistance Pool Plan[3] settlements/active general	180
(f) Funds receipted Orderly Payment of Debts Program	$2,017,648.14
Funds receipted Debtor Assistance Program	561,373.72
Total funds receipted	*$2,579,021.86
(g) Funds disbursed to credit grantors Orderly Payment of Debts	$1,996,013.78
Debtor Assistance Pool Plan	$ 535,581.21
Total funds disbursed	*$2,531,594.99
(h) Settlements, funds saved by negotiating settlements for debtors	$ 165,629.23

[1] Includes 5,116 new clients and 1,853 updates.

[2] The "Orderly Payment of Debt" provision of the federal Bankruptcy Act provides that a court order may be issued, binding the debtor and creditor to a realistic plan of repayment.

[3] The "Debtor Assistance Pool Plan" is a voluntary method of repayment acceptable to both debtor and creditor. It may be administered by either the Consumer Credit and Debtor Assistance Branch, or by the debtor.

* The discrepancy between funds receipted and disbursed is due to the fact that funds are held in trust until authorized for payment.

Debt Collection:

(a)	Number of licences issued to collection agencies for calendar year end 1982	123
(b)	Number of licences issued to collectors for calendar year end 1982	633
(c)	Number of written complaints handled (April, 1982 - March 31, 1983).	172
(d)	Number of telephone complaints/enquiries (April, 1982 - March 31, 1983).	2,650
(e)	Number of prosecutions under way	nil
(f)	Number of Licences suspended/cancelled for calendar year end 1982.	4

Credit Reporting:

(a)	Number of licences issued to agencies for calendar year end 1982	40
(b)	Number of written complaints handled (April, 1982 - March 31, 1983)	30
(c)	Number of telephone complaints/enquiries (April, 1982 - March 31, 1983)	220
(d)	Disclosures to consumers for calendar year end 1982	21,664
(e)	Number of prosecutions/licences suspended/cancelled (April, 1982 - March 31, 1983	nil

INVESTIGATION BRANCH

The Investigation Branch launches formal enforcement proceedings (civil or "quasi-criminal") when consumer laws, such as the Trade Practice Act or the Consumer Protection Act, have been violated. Under the Trade Practice Act, the Director of Trade Practices is empowered to substitute himself for a consumer or consumers, where a principle of law requires clarification in the public interest.

Investigators are located in Victoria, Vancouver, Prince George and Kamloops.

ACTIVITIES

* A dating magazine publisher was given a 30-day jail sentence -- converted to a $750 fine following an appeal -- after he pleaded guilty to a deceptive practice of falsifying a substantial number of the magazine's dating advertisements.

* A $1,500 fine was levied against a company which charged consumers for snow machine replacement tracks that were supplied to the retailer free of charge under a manufacturer's warranty. Consumers also received refunds totalling $1,500.

* Charges of promoting a non-existent price advantage resulted in a $1,000 fine against a car dealer after a consumer complained he was refused an advertised 99-cent truck canopy offer because he wouldn't pay more for a truck than originally agreed upon.

* A hearing aid retailer agreed to stop a deceptive advertising practice whereby he placed restrictions on a manufacturer's warranty after the sale of a product had been completed.

* The following enforcement activities were completed during the 1982-83 fiscal year:

Prosecutions	10
Substitute Action and Defences	1
Assurance of Voluntary Compliance	7
Declarations/Injunctions	Nil
Application for Receiver	Nil
Criminal Code	1

OPERATIONS BRANCH

This branch manages consumer complaint and enquiry services, and as of March 31, 1983, continued the supervision of the four Consumer Centres located in Kamloops, Prince George, Vancouver and Victoria.

Consumer workers investigated complaints and answered enquiries from the public and, in cases where the consumer tried unsuccessfully to seek satisfaction from a supplier or trader, Ministry staff attempted to mediate the dispute. Most consumers were given advice about their particular problems and then dealt with the matter themselves.

(Subsequent to the reporting period of this document it was announced that consumer complaint mediation services would end.)

ACTIVITIES

* Consumer Centres received more than 105,000 phone enquiries, and were visited by more than 12,300 people. There were 6,303 consumer complaints that required mediation efforts by the staff.

* Ministry staff assisted consumers in recovering $466,513 in rebates for goods or services that were unsatisfactory.

REGISTRAR OF TRAVEL SERVICES

The Registrar of Travel Services administers the Travel Agents Act by registering travel agents in British Columbia and monitoring them to ensure their compliance with travel legislation. In addition, the Travel Assurance Board provides compensation to consumers for travel services they paid for but did not receive.

ACTIVITIES

* There were 694 registered travel agents and wholesalers in B.C. as of March 31, 1983, a decline of seven from the previous fiscal year. During the year 109 registrants went out of business, either through bankruptcy, a voluntary surrender of registration, or a revocation of their licence by the Registrar. However 102 registrations were issued during the year.

* During the year, 278 claims, which involved 693 consumers, resulted in payment of $242,773.95 under the Travel Assurance Fund. In addition $71,599.30 was paid through emergency payments to suppliers, enabling 714 consumers to continue with their holiday plans uninterrupted by travel failures. The total amount paid out of the fund was $313,970.25, covering a total of 1,407 consumers. Of the 109 closures previously mentioned, eight resulted in claims against the fund.

* The Travel Assurance Fund, which reimburses consumers for prepaid travel services they fail to receive, held $45,304.03 as at March 31, 1983. The total intake from registrants through their semi-annual contributions and initial contribution fees from new registrants was $168,101.04.

REGISTRAR OF MOTOR DEALERS

The Registrar of Motor Dealers administers the Motor Dealer Act. This act licences motor dealers and requires that they meet certain standards as well as disclose prescribed information to consumers. Compliance with the act is monitored by the Registrar and three inspectors who are based in Vancouver and Kamloops.

ACTIVITIES

* During 1982-83 the Registrar of Motor Dealers conducted 41 hearings, of which 25 resulted in cancellation of motor dealer registration. One dealer registration was suspended, one dealer was given a conditional registration, and two applications for registration were rejected. In 12 other cases the problems were resolved prior to the hearing date.

* A total of 27 charges were laid for violations of the Motor Dealer Act and its Regulations. In addition, the Motor Dealer Inspectors conducted 1997 inspections.

* There were 1,489 motor dealers registered as of March 31, 1983.

REGISTRAR OF CEMETERIES

The Registrar of Cemeteries administers the Cemetery Act, the Municipal Cemetery Act, the Cemetery Company Act, the Cremation Act and the Funeral Plan Act. These responsibilities include the inspection and monitoring of annual report forms for all cemeteries, mausolea, columbaria, crematoria and those funeral homes that sell prepaid funeral plans in the province.

The division also audits the care funds for all commercial, municipal and a number of smaller cemeteries, mausolea and columbaria that have established such funds. In addition, the division's staff audit all prepaid funeral plans held by various funeral homes throughout the province. The staff investigate all consumer complaints, forwarded to them in writing, pertaining to the cemetery and funeral industries.

ACTIVITIES

During the year, the division performed, among other duties, the following major functions:

* Inspections of cemeteries, mausolea, columbaria and crematoria 238

*	Audits of perpetual care funds	61
*	Cemetery, mausolea, columbaria, crematoria bylaw amendments and rules approved	73
*	Cemetery, mausolea, columbaria, crematoria rate approvals	50
*	Provincial Cemetery Board appointments	3
*	Cemetery Closures	2
*	Certificate of Public Interest for the establishment of mausolea -	1
	columbaria -	3
	cemeteries -	3
*	Audits of prepaid funeral plans	25
*	Public Hearings held by Minister regarding the establishment of a crematorium, which was also attended by a cemeteries officer	1
*	Crematoria licences	16

CORPORATE AFFAIRS

CORPORATE AND CENTRAL REGISTRY OFFICE

The Registrar of Companies/Registrar General of Central Registry administers the filing of documents under the Company Act, Society Act and other statutes. He is also responsible for encumbrance filings in the Central Registry, and for providing immediate search capabilities. The office maintains complete corporate files of all businesses incorporated or registered. Files are maintained on B.C. companies, extra-provincial companies, co-operatives, societies, partnerships and trust companies. In addition, there are specialized files regarding library commissions, cemeteries, railroads and savings and loan associations.

ACTIVITIES

* Studies were completed to allow for the updating of the Central Registry computer system. Revisions to the system, when implemented, will give province-wide access to Companies Branch and Central Registry indexes and information. In addition, a microfilming program is planned to reduce paper files.

* Annual corporate filings have been made more efficient by a "turnaround annual report" system, started January 1, 1983. The system provides corporations with a computer printout of their annual report information which needs only to be confirmed, updated and filed to meet statutory requirements.

* Alternating economic forces of recession and recovery affected both the Companies Branch and Central Registry. Filings and other activities dipped during the early portion of the fiscal year and then began rising significantly after July.

Companies Office:

1.	Incorporations & Registrations	
	(a) B. C. Companies	11,965
	(b) Extra-Provincial Companies	1,265
	(c) Trust Companies	6
	(d) Partnerships	4,265
	(e) Co-operatives	65
	(f) Societies	889
	(g) Changes of Name (Companies)	3,425
	(h) Changes of Name (Societies)	100
	(i) Amalgamations	413
	(j) Continuations - 36 (into the Province)	85
	(k) Continuations - 37 (out of Province)	121
	(l) Roll-Overs	572
2.A	Dissolutions	
	(a) Companies	9,335
	(b) Societies	1,667
	(c) Partnerships	241
2.B	Restorations	
	Companies	82
3.	Encumbrances	69,637
4.	General Filings	230,839
5.	Miscellaneous	
	(a) Certificates of Good Standing	4,553
	(b) Certified Copies	4,973
	(c) Change of Purposes-Societies	190
6.	Searches	209,557
7.	Total Revenue (Companies)	$ 7,013,241
	Total Revenue (Central Registry)	5,756,545
	Total Combined Revenue	$12,769,786

Central Registry:

1. Documents Registered Under:

(a)	Sale of Goods on Condition Act	80,823
(b)	Chattel Mortgage Act	193,805
(c)	Repairers Lien Act	25,314
(d)	Book Accounts Assignment Act	3,162
(e)	Company Act	753
(f)	Late Order Registrations for Sale of Goods on Condition Act	9,270
(g)	Late Order Registrations for Chattel Mortgage Act	24,632
(h)	Late Order Registrations for Book Accounts Assignment Act	350

2. Documents Discharged Under:

(a)	Sale of Goods on Condition Act	2,077
(b)	Chattel Mortgage Act	20,507
(c)	Repairers Lien Act	2,828
(d)	Book Accounts Assignment Act	175
(e)	Company Act	338

SUPERINTENDENT OF BROKERS, INSURANCE AND REAL ESTATE

The Superintendent regulates the investment, insurance and real estate industries for the protection of investors. He also contributes to the British Columbia economy by encouraging operating efficiency in the capital markets, stimulating individual investment in securities, and monitoring insurance and real estate transactions.

ACTIVITIES

* Licensing was computerized giving the various self-regulatory bodies quick access to records and greatly improving turnaround time for first applications and renewals.

* Licensing was placed under a two-year anniversary system rather than the previous one-year system.

* Police checks of licence applicants are now carried out after the licence is issued, rather than before, which has significantly reduced licensing delays. Public protection has been maintained since the licence can be revoked if police checks reveal a problem.

* Licensing in real estate was down 12 per cent and insurance was up 30 per cent over the preceeding year.

* A proposed new Securities Act was introduced in the legislature and circulated among financial and securities communities for comment.

* Real estate prospectus requirements were amended to a shorter, more pertinent form.

* A 42 per cent increase was recorded in the number of active investigation and inspection files compared to the previous year.

* Increased emphasis was placed on the training of auditors and investigators.

Registrations

(a) Securities Act	2,757
(b) Mortgage Brokers Act	758

Licences Issued

(a) Insurance Act	13,599
(b) Real Estate Act	14,740

Vettings and Filings

(a) Securities Act	
1. Prospectuses accepted	450
2. Statement of Material Facts accepted	172
(b) Real Estate/Strata Titles Act	
1. Subdivisions accepted	1,171
2. Strata Property Plans approved	634

Hearings

(a) Before the Superintendent or Deputy Superintendent	15

Rulings and Orders

(a) Securities Act	2,524
(b) Real Estate Act	22

Suspensions/Cancellations

(a) Securities Act	1
(b) Mortgage Brokers Act	4
(c) Real Estate Act and Insurance Act	28

Investigation Orders/Investigations

(a) Securities Act and Mortgage Brokers Act	370
(b) Mortgage Broker Act and others	66
(c) Insurance Act	322
(d) Real Estate Act	305

Prosecutions

(a) Securities Act	2
(b) Real Estate Act	1
(c) Insurance Act	Nil
(d) Company Act	Nil
(e) Criminal Code	2

Revenue

(a) Securities Act	$ 666,874.81
(b) Mortgage Brokers Act	58,150.00
(c) Real Estate Act	906,566.63
(d) Insurance Act	832,179.08
(e) Miscellaneous	6,990.49
	$2,470,761.01

SUPERINTENDENT OF CREDIT UNIONS, CO-OPERATIVES AND TRUST COMPANIES

The Office of the Superintendent of Credit Unions, Co-operatives and Trust Companies is responsible for regulating credit unions and examining their finances, registering co-operatives, and regulating and inspecting all trust companies operating in the province to ensure that these institutions remain in sound financial condition for the protection of depositors and trust fund clients in British Columbia.

ACTIVITIES

Credit Unions

* Total credit union assets as of December 31, 1982, were $5,236,848,000, an increase of 4.8 per cent over March 1982.

* Membership in credit unions declined from 947,667 to 916,109, a decrease of 3.33 per cent.

* Liquidity reserves as of December 31, 1982, were 18.75 per cent of the net share capital and deposits, an excess of $415 million over the statutory requirements.

* The number of credit unions in the province dropped to 142 from 152 as a result of six amalgamations and the dissolution of four credit unions.

* Six inspectors examined 103 credit unions during the year, and the Credit Union Reserve Board administered 18. As a result of the inspections, four credit unions were placed under the supervision of the Credit Union Reserve Board.

* Senior staff attended the Annual Conference of the National Association of Administrators of Co-operative Legislation held in Winnipeg in July, 1982.

* Assets of the Provincial Credit Union Guarantee Fund, which guarantees all deposits and non-equity shares of credit union members, totalled $58 million as of December 31, 1982.

Co-operatives

* Sixty-eight new co-operatives were incorporated, including 43 housing co-operatives, ten consumer co-operatives, nine producer co-operatives, four service co-operatives, one of a general nature and one extra-provincial.

* The new system of surveillance over co-operatives, established during the previous year, was continued and expanded into other parts of the province. The co-operative officers held meetings with many co-operatives and assisted them with problems.

Trust Companies

* As of December 31, 1982, there were 114 trust company branches in operation, compared with 113 branches at the previous year-end.

* Eight main branches were inspected during the fiscal year, as well as 24 branch offices compared to a total of 17 for the previous year.

* An officer of the Ministry attended the Annual General Meeting of the Trust Companies Association of Canada held in Halifax in May, the June Annual Conference of Administrators of Trust Company Legislation, held in Quebec City, and a meeting in Ottawa of Provincial supervisors, held in June, to discuss the proposed revision and consolidation of the Trust Companies Act and the Loan Companies Act.

* Assets under administration by trust companies in British Columbia totalled $6.9 billion, including estates, trusts and agency funds.

* Demand deposits from the public totalled $502.8 million, up 9.7 per cent.

* Guaranteed investment certificates and term deposits totalled $1.84 billion, showing an increase of 10.7 per cent over the previous year.

* The combined total of savings deposits and certificates was $2.34 billion.

* Mortgage lendings increased by 41.1 per cent to $5.72 billion.

OFFICE OF THE RENTALSMAN

The Office of the Rentalsman disseminates information, conducts research, and as of March 31, 1983, continued to mediate disputes related to the rental housing market in British Columbia.

Under the Residential Tenancy Act that was in effect during the 1982-83 fiscal year, the Rentalsman had exclusive jurisdiction to adjudicate landlord and tenant disputes involving: termination of tenancies; rental rates and increases; the disposition of security deposits; and the contractual rights and obligations of landlords and tenants. Jurisdiction regarding monetary claims was shared between the Rentalsman and the Provincial Court.

(Subsequent to the reporting period of this document, the government introduced legislation which proposed to change the responsibilities of the Office of the Rentalsman.)

ACTIVITIES

* Several key developments during 1982-83 changed the character of the housing market from previous years. Interest rates, which had risen dramatically since 1979, peaked in 1981 and continued at a high level until mid-1982 when they began to fall sharply. This drop eased the effect of mortgage refinancing for landlords, which substantially reduced the number of applications for additional rent increases.

Market conditions were eased due to the high number of housing completions during the year which, in turn, were caused by the record levels of housing starts during 1981 and 1982.

Immigration to the province declined from a net flow of 59,335 in 1980 and 36,935 in 1981, to 13,773 in 1982.

* Vacancy rates from 1979 to 1981 began to rise from almost non-existent levels. The Vancouver rate rose to .6 per cent in April 1982, 1.9 per cent in October 1982, and 2.6 per cent at the end of the fiscal year. Similar changes occurred in Victoria with larger vacancy rates occurring in some smaller centres.

* During the first quarter registered disputes increased 40 per cent, and then declined moderately the remainder of the year.

* A major efficiency improvement implemented during 1982-83 was the installation of the on-line computer system for notices of rent increase.

* A numerical filing system, installed in February 1982, became effective during 1982-83. This has permitted the re-assignment of five employees to other work areas which were affected by workload increases, as well as providing improved statistical information and control over file location.

* A "front-end" investigative unit was established to resolve lower priority disputes.

* A Forms Review Committee was established to simplify and reduce many of the procedures, applications and forms used by the office. The Committee introduced a new format for Rentalsman Policy Guidelines, eliminated a number of unnecessary forms and circulated revised standard decision letters.

* The progress of rent decontrol during the year was considerable. An estimated 37 per cent of the rental units in the Province remained under rent control by the end of the fiscal year. The rent review system operated smoothly during the year.

* In response to continued high demand for information and advice, the office developed "Fast Facts" information sheets dealing with frequently asked questions. As well, both landlords and tenants were encouraged to take a greater initiative in resolving difficulties themselves.

* 330,981 telephone inquiries were received. (An 11 per cent decrease from 1981/82.)

* 43,455 cases were opened. (9 per cent increase)

* 69,271 members of the public visited the offices for information. (12 per cent increase)

* 9,080 inspections and service of documents were conducted. (38 per cent decrease)

* 92,292 letters were received. (6 per cent decrease)

* 141,545 letters were sent out. (5 per cent decrease)

* 169,417 Notices of Rent Increase were received. (18 per cent decrease)

LIQUOR CONTROL AND LICENSING

The Liquor Control and Licensing Branch, under authority of the Liquor Control and Licensing Act and Regulations, is engaged in the following activities:

* Issuing and transferring licences for the sale of liquor.

* Licensing breweries, distilleries and wineries.

* Licensing the agents of breweries, distilleries and wineries.

* Monitoring and controlling liquor advertising in the province.

* Inspecting licensed premises to ensure they comply with the law.

* Taking appropriate disciplinary action against licensees for contraventions of the Liquor Control and Licensing Act and Regulations.

Licence categories are as follows:

A Licences: Hotels, resorts, clubs, recreational centres, aircraft, trains, motor vessels, airports, municipally and provincially owned cultural centres, universities, military messes.

B Licences: Dining establishments primarily engaged in the service of food.

C Licences: Cabarets primarily engaged in providing entertainment.

D Licences: Neighbourhood Public Houses.

E Licences: Sports stadiums or concert halls.

F Licences: Establishments oriented to marine activities (Marine Public Houses).

ACTIVITES

* Administrative

(1) The new data processing and word processing system installed in November of 1981 continued through a refinement process during the year. It was necessary to eliminate some data processing functions and decrease the frequency of some reports in order to reduce expenditures.

(2) The branch experienced little turnover of staff during the year, and the staff complement remained at 51.

* Enforcement

(1) The co-operation displayed by police forces throughout the Province was evident by the continuing increase in the number of reports received by the branch through the police walk-through program. The excellent reporting has given the branch more information than previously available on the operation of licensed establishments.

(2) The branch published an Enforcement Policy and an Enforcement Report during the year. The Enforcement Policy is a statement of the Branch's position on a number of enforcement issues and an explanation of the whole enforcement process. This document was particularly well received by licensees and their associations.

* Licensing

(1) Because of economic conditions, the demand for new licences for some facilities, particularly hotels, was less than in previous years. At the same time, however, there was continuing interest and high demand with respect to licences for restaurants, neighbourhood pubs and recreation centres.

(2) No major changes were made in licensing rules during the year in recognition of the difficult times being faced by all licensees.

* Industry

(1) The estate wine industry continued to grow and gain acceptance with the general public. At year's end there were five estate wineries licensed. Regrettably, one estate winery, Vinitera Wines, experienced financial difficulties during the year and went into receivership.

(2) The concept of the "brew-pub" was introduced in British Columbia on an experimental basis at the Troller Pub at Horseshoe Bay. The concept is that of a small brewery connected with a pub to produce its own draught beer for

sale in that pub. The experiment at the Troller proved to be a success and guidelines were issued early in 1983 to permit other pubs to consider the same sort of approach. The emphasis in the program is the production of high-quality, unique draught beer.

(3) There was also considerable expression of interest during the year about the establishment of cottage breweries. The concept of a cottage brewery is simply that of a small, regional brewery to serve a specialized market.

* Legislative

(1) A number of consequential amendments were made to the Liquor Control and Licensing Act and proclaimed on December 1, 1982. These amendments were brought about by enactment of the Commercial Appeals Commission Act to set up the Commercial Appeals Commission to hear appeals under the Liquor Control and Licensing Act. This Commission continues the work of the former Corporate and Financial Services Commission.

(2) Amendments were made to Section 24 of the Regulations on May 27, 1982. The effect of these amendments was to permit beer and wine advertising on television and radio and to permit beer and wine advertising on electronic scoreboards in professional sports stadiums.

***Liquor Licences**

	Total Licences at April 1, 1982	Licences Issued April 1, 1982 - March 31, 1983	Total Licences at March 31, 1983
A Licences	1,419	84	1,503
B Licences	2,910	324	3,234
C Licences	268	12	280
D Licences	176	8	184
E Licences	7	1	8
F Licences	7	-	7
Totals:	4,787	429	5,216

There were 122 licence cancellations from April 1, 1982, to March 31, 1983.

Licences issued to March 31, 1983, by sub-category:

A Licences - 1,503

Public House	49
"A" Pub	348
Combined Pub	50
Lounge	823
Mess	31
Recreation Centres	172
Cultural Centre	9
Universities	21
	1,503

B Licences - 3,234

Dining Rooms	805
Dining Lounges	1,998
Dining Lounges/ Holding Area	431
	3,234

C Licences - 280

Cabarets	280

D Licences - 184

Neighbourhood Public Houses	184

E Licences - 8

Sports Stadiums	8

F Licences - 7

Marine Public Houses	7
	5,216

Liquor Control and Licensing Revenue for the Year Ended March 31, 1983:

Licence Issuance Fees	$ 1,522,200.00
Distillers Licence Fees	7,000.00
Winery Licence Fees	6,000.00
Brewers Licence Fees	194,050.11
Special Occasion Licence Fees	225,900.00
Liquor Purchase Assessment Fees	13,025,891.43
Transfer Fees	48,600.00
Transfer of Shares	12,100.00
Sundry Receipts	4,804.98
	$15,046,546.52

** The revenue from licence issuance fees is inflated because of changes in accounting policies during the year. The figure includes licence fees collected in 1981/82 for 1982/83 renewals (accrual basis) as well as licence fees collected in 1982/83 for 1983/84 renewals (cash basis).

* Enforcement Statistics

1. Police Walk-through Program -- April 1, 1982 to March 31, 1983:

   The number of walk-throughs reported to the branch during this period was 27,003.

2. Disciplinary Action - April 1, 1982 to March 31, 1983:

Number of Warning Letters Sent	303
Number of Hearings	158
Number of Suspensions	65

Licensing Appeals April 1, 1982 to March 31, 1983

Number of Appeals Heard	50
Number of Appeals Dismissed	19
Number of Appeals Allowed	13
Number of Appeals with Decision Pending	17
Number of Appeals not yet heard	13

LIQUOR DISTRIBUTION BRANCH

The Liquor Distribution Branch, under the mandate of the Liquor Distribution Act, manages the distribution of beverage alcohol in the province. While the branch encourages the production and sale of British Columbia products, it also offers a wide selection of imported listings. The products are retailed through a province-wide system of liquor stores and, in remote communities, agency stores.

The branch provides retail service to consumers of alcoholic beverages in British Columbia; strives to achieve established financial returns; provides suppliers with controlled access to the marketplace on a fair and equitable basis; and supports government policy of moderation and maturity in the use of alcoholic products.

Its goal is to achieve service levels in an efficient and equitable manner, while bearing in mind the many responsibilities associated with the distribution of liquor.

ACTIVITIES

* At year-end, there were 214 government liquor stores consisting of 160 self-serve and 54 conventional (counter) outlets. The branch opened three new stores, replaced nine existing outlets, and renovated or converted four stores to self-serve facilities. Two government liquor stores were closed, one in Burnaby and the other in Port Edward.

* A total of 10 agency store appointments were made during the year, seven in remote communities, two at estate wineries and one at a commercial winery. One agency liquor store and one estate winery agency were closed, bringing the number to 68 in remote areas and to 12 in operation at commercial and estate wineries and one distillery.

* There were 1,811 product listings offered for sale as of March 31, including 493 specialty items.

* During 1982-83, the branch began a product merchandising program to introduce new products and existing products in new package sizes to our customers. New point-of-sale merchandising fixtures were installed in numerous stores, resulting in incremental sales.

* Two distribution centres provided efficient, centralized dissemination points; the 250,000 square foot head office distribution centre in Vancouver serving all G.V.R.D., coastal and Vancouver Island stores; and an 80,000 square foot satellite distribution centre in Kamloops serving stores in the interior of the province.

* In addition, a 60,000 square foot storage facility in Lake City, Burnaby, provided overflow storage for British Columbia Liquor products, and also provided space for all dry goods, stationery and supplies for the branch and all stores.

* A small fleet of five L.D.B. tandem-axle delivery trucks provided efficient, same day or next day store order delivery service to the majority of liquor stores located in the G.V.R.D.

* The branch continued to purchase bulk supplies and bottle them under its own B.C.L. label. Products include two brands of Canadian Rye Whisky, three brands of imported Scotch, one brand of imported French Brandy, and two brands of imported Rums, one Jamaica and one Demerara. Total produced for the fiscal year were 177,347 cases.

* In November 1982 the branch conducted an open house and tour for licensed premises owners/operators.

* A Consumer Survey of branch customers plus the establishment of the Stores Advisory Committee provided information relating to branch image, customer service, and suggestions for improvement in areas such as product selection and presentation.

* In January 1983 the Branch converted to the "Canadian Standard Product Code" system for all spirits, wines and beers.

Financial Statement

1. Summary of Balance Sheet as at March 31, 1983

Assets	
Current Assets	$46,884,297
Fixed Assets (at cost, less accumulated depreciation)	14,882,243
Total Assets	$61,766,540
Liabilities	
Current Liabilities	$39,962,303
Working Capital Advance	21,804,237
Total Liabilities	$61,766,540

2. Summary of Statement of Income, year ending March 31, 1982

Sales (Note)	$836,042,299
Cost of Merchandise Sold	450,062,238
	385,980,061
Provincial Malt Levy	47,728,689
	433,708,750
Operating Expenses	98,371,282
	335,337,468
Other Income	1,751,176
Net Income	$337,088,644

NOTE:

Included in sales are non-alcoholic items amounting to $910,111. Sales made directly to licensed establishments by authorized brewers' agents on behalf of the Liquor Distribution Branch totalling $148,765,746 are not included in the sales reported by the branch. The Provincial Malt Levy reported on the Income Statement represents the margin on these sales. Sales made directly to the Public by authorized Commercial Winery Agency Stores of $1,113,727 are not included in the sales reported by the branch.

BOARDS AND COMMISSIONS

CORPORATE AND FINANCIAL SERVICES COMMISSION and COMMERCIAL APPEALS COMMISSION

As of December 1, 1983 there was a restructuring and division of the responsibilities previously attached to the Corporate and Financial Services Commission. As an appellant body the Corporate and Financial Services Commission became responsible for hearing and reviewing rulings under certain sections specific to the Securities Act and Investment Contract Act.

The Commercial Appeals Commission was formed as an appellant body to hear and review rulings under certain sections of nine other statutes formerly under the jurisdiction of the Corporate and Financial Services Commission. These statutes include: Mortgage Brokers Act; Company Act; Credit Union Act; Liquor Control and Licensing Act; Liquor Distribution Act; Travel Agents Act; Motor Dealer Act; Society Act and Credit Reporting Act.

ACTIVITIES

* The combined commissions heard 25 appeals, requiring 32 days of hearing and review. Fourteen additional appeals were filed and subsequently abandoned. The appeals were made under the following statutes:

  11 under the Real Estate Act
  3 under the Liquor Control and Licensing Act
  7 under the Securities Act
  2 under the Mortgage Brokers Act
  1 under the Credit Union Act
  1 under the Company Act

* Abandoned appeals were under the following statutes:

  7 under the Liquor Control and Licensing Act
  4 under the Securities Act
  3 under the Real Estate Act

* As of March 31, 1983 there were five appeals pending which included:

  1 under the Securities Act
  2 under the Real Estate Act
  1 under the Liquor Control and Licensing Act
  1 under the Liquor Distribution Act.

* During the fiscal year the membership of the Corporate and Financial Services Commission consisted of:

  W. H. Kemp Edmonds, Esq. Q.C. - Chairman
  Charles F. Long, Esq. - Vice-Chairman
  Kenneth G. Russell, Esq. - Member
  John M. McEwen, Esq. - Member

* Members of the Corporate and Financial Services Commission appointed as of December 1, 1982 to the Commercial Appeals Commission were:

  Arthur M. Roberts, Esq. - Member -
  originally appointed Oct. 15/81
  Christopher E. Jukes, Esq. - Member -
  originally appointed Oct. 15/81
  Kenneth A. Morrison, Esq. C.A. - Member -
  originally appointed Oct. 15/81

AUDITOR CERTIFICATION BOARD

The board examines and certifies non-professional accountants as auditors of reporting companies.

A reporting company is generally one which comes under one of the following specific areas:

* a company with securities listed on any stock exchange;

* a company ordered by the Registrar of Companies to be a reporting company;

* a company deemed to be a public company prior to the 1973 Companies Act;

* any corporation by or under an act of the Legislature.

ACTIVITIES

* There were two applicants, although no approvals for certification during the 1982-83 fiscal year.

* Members included: B.F. Adams, C.G.A. (Chairman); R. Campion, F.C.A.; W.J. Fedorak; G.C. Gray, C.A.; R.L. Bullock.

SUPPORT SERVICES

FINANCE AND ADMINISTRATION BRANCH

This branch provides Ministry programs with effective staff support to ensure the maximum use of fiscal, human and physical resources available to the Ministry.

Personnel Administration supplies a complete range of personnel activities for the Ministry, including organizational design and review; classification analysis; labour relations; recruitment and selection; safety; and staff training and development. The Vancouver based office offers these services, in conjunction with the Director, Personnel Administration, to the interior and lower mainland Ministry staff.

Financial Services is responsible for financial planning, accounting and fiscal control within the Ministry. A section of this division in Vancouver offers financial and administrative advice to Vancouver-based program managers on behalf of the Director of Finance.

Operational Review monitors the operational efficiency of the Ministry and develops internal control and operating procedures.

ACTIVITIES

Personnel Administration Division

During the fiscal year 1982-83, the Division was involved in numerous projects, some of which included:

* The Director's participation in the B.C. Government Employees' Union Master Agreement bargaining.

* Participation of line managers in Master Agreement seminars to promote effective labour-management relations.

* Substitution and overtime payment policies clearly defined, with approval being the responsibility of the Program Directors and Personnel Division performing an audit function.

* Management positions filled during the 1982-83 fiscal year, excluding the Liquor Distribution Branch, were: Assistant Deputy Minister of Corporate Affairs, Victoria; Executive Director of Policy, Legislation and Program Planning, Victoria; Director of Investigations, Securities, Vancouver; Manager of Classification, Organization and Compensation, and Personnel Officer, Special Projects, Victoria.

* Regular positions in the Ministry, not including the Liquor Distribution Branch, numbered 566 as of March 31, 1983. Auxiliary employees totalled 77, a decrease of 36 from the 1981-82 level. From this number of regular employees there were four retirements and 33 resignations. A total of 53 regular positions were filled.

The following positions filled relate to the Liquor Distribution Branch:

* Manager, Recruitment and Staff Development; Assistant Director, Distribution; Area Manager, Kamloops/Cariboo.

* Regular positions as of March 31, 1983 numbered 1,950. Auxiliary employees numbered 1,523. There were 53 retirements and 240 resignations from the branch's employee ranks, compared to the 1981-82 level of 61 and 50 respectively.

Financial Services Division

During 1982-83 this division was involved in three major initiatives:

* Implementation of the Financial Administration Act with the focus on tightening controls over expenditure and revenue collection.

* Documentation of Ministry policies and procedures. In this direction the Finance and Administration Procedure Manual, currently nearing completion, will fulfill the requirements of the Financial Administration Act as well as provide direction to Ministry staff regarding administrative procedures.

* Utilization of the Automated Accounts Payable Distributed Data Entry System, which has reduced incidence of error and the processing time for the payment of invoices.

*1982/83 Estimates

The following table indicates the total approximate revenues and expenditures for the fiscal year 1982/83:

Revenues	$29,624,645
Expenditures:	
Salaries	$12,740,755
Travel Expenses	528,772
Office Expenses	701,384
Office Furniture and Equipment	106,675
Advertising and Publications	205,529
Materials and Supplies	61,576
Data Systems and Processing	1,696,449
Building Occupancy Charges	2,352,767
Grants	217,650
Other Expenditures	485,109
	$19,096,666

Operational Review

The branch undertook organizational reviews, systems studies and productivity assessments to furnish Ministry executive with management information. The branch also assessed and reported on the economy and efficiency of operations and provided recommendations regarding internal management practices and controls.

LEGAL SERVICES

Legal Services are provided to the Ministry on a "retainer" basis by the Legal Services to Government Division of the Ministry of Attorney General. Currently, there are seven lawyers assigned to the Ministry of Consumer and Corporate Affairs, three located in Victoria and four in Vancouver. In addition, specialized legal expertise is extended to the Ministry from other Departments of Legal Services to Government, such as Civil Litigation.

The lawyers provide legal advice, interpretation and opinions primarily in matters arising from the administration of the numerous statutes assigned to the Ministry. They also represent Ministry officials in hearings before the courts, and administrative tribunals, such as the Commercial Appeals Commission.

In addition, they provide Ministry officials with representation in the preparation, negotiation, settlement and execution of contracts and agreements. Lawyers also assist in drafting new legislation and amendments to existing statutes.

The Director of the Commercial Law Department participates in policy and administrative matters as an advisor to the senior staff of the Ministry.

As available funds permit, law students are also employed on a part-time basis during the university year. They assist with legal research and help advise Ministry employees in dealing with the public.

POLICY, LEGISLATION AND PROGRAM PLANNING BRANCH

The branch evalutes Ministry policies, programs, systems, and legislation, prior to coordinating their development to meet the requirements of a changing marketplace.

ACTIVITIES

* New Securities legislation was exposed by way of a white paper and work continues on legislation concerning personal property security, cooperatives, trust companies, mobile home dealers, warranties and product liability legislation.

* Support services and analyses were provided for the continuing refinement of liquor policy, and the complaint handling system of the Superintendent of Brokers. Monitoring of electronic fund transfer systems issues continues in addition to the review of the inspection role for credit unions and response to federal initiatives on competition policy.

* The branch continued to coordinate systems applications throughout the Ministry. Implementation of major systems was completed in the offices of the Rentalsman and the Superintendent of Brokers, Insurance and Real Estate. A strong initiative to control costs was carried on throughout the year.

INFORMATION AND EDUCATION BRANCH

The branch provides senior management with public relations services, and, in conjunction with the Ministry of Education, develops programs for use in the compulsory consumer education course.

A Trade Liaison division keeps the business community informed of ministry laws and policies, and monitors merchants' advertisements to make sure they comply with consumer legislation.

The Ministry Library provides research facilities for consumers, teachers, and for ministry personnel.

A Distribution Section makes ministry printed materials widely available throughout the province.

ACTIVITIES

* The following publications were printed and distributed:

1. Motor Dealer Guidelines (second edition)
2. 1981-82 Annual Report
3. Consumer Assistance Directory, 1982
4. Consumer Centres (pamphlet - no longer available)
5. Your First Apartment (pamphlet)
6. Foreclosure (pamphlet)
7. Consumer Credit and Debt Law (Debtor Assistance manual)
8. I.O.U. Teacher's Guide (reprint)
9. General Advertising Guidelines (second edition)
10. B.C. Trade Practice Act (redesigned brochure)

* One enforcement report (no. 27) was issued.

* Twenty-three speeches were researched and written for use by the Minister, Deputy Minister and other senior officials. Twenty-nine news releases were issued and 14 Consumer Action Columns were prepared and distributed to weekly newspapers.

* Distribution statistics were as follows:

Letters/Requests/Bulk Mailings	51,236
Acts	1,973
Brochures	142,219
Education Materials	1,664
"Fast Facts" Information Sheets	357,000
General Advertising Guidelines	252
Motor Dealer Guidelines	2,238
Teachers' Kits	388
Surviving a Personal Financial Crisis Kit	24,540

Queen's Printer for British Columbia ©
Victoria, 1984

cc